



Appropriations Update

Committee on the Budget • Majority Caucus
U.S. House of Representatives
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FISCAL YEAR 2006 DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL – H.R. 3010 Conference Report

SUMMARY

The appropriations conference report for most of the government's human resources activities (enacted on 30 December 2005) provides \$142.5 billion in budget authority, an amount equal to the limit (the suballocation level) adopted for this measure by the House Appropriations Committee. Hence the measure complies with applicable provisions of the Congressional Budget Act.

The specific advance appropriations in the agreement, and their amounts, complies with requirements governing such provisions established in the budget resolution (H. Con. Res.

95). In addition, the measure contains no emergency-designated appropriations, which are also governed by the budget resolution.

This measure – formally the conference report accompanying the Departments of Labor, Health and Human Services, and Education, and Related Agencies appropriations bill (H.R.3010; H.Rept. 109-337) – is the tenth conference report for the fiscal year beginning 1 October 2005. It reflects the reorganization of Appropriations subcommittees adopted in 2005.

COST OF THE LEGISLATION

The \$142.5 billion in new budget authority [BA] provided by the conference report is \$329 million below the prior year, but exceeds the administration request by \$861 million (see Table 1 below). Outlays of \$143.8 billion are \$564 million higher than the request, but \$2.3 billion lower than the prior year.

The measure includes \$18.9 billion in “advance appropriations” for 2007 for a variety of programs, predominantly in the area of education, and \$400 million for

2008 for the Corporation for Public Broadcasting. Advance appropriations are spending for a year beyond the budget's first year.

It includes minor amounts of rescissions of previously-enacted budget authority (\$75 million in BA and \$27 million in outlays), and a small across-the-board reduction in spending for Centers for Medicare and Medicaid Services administration (\$60 million in BA and \$43 million in outlays) as offsets to its cost.

Table 1: Departments of Labor, Health and Human Services, and Education, and Related Agencies
(fiscal years; millions of dollars)

	2005 Spending ^a	Administration 2006	302 (b) for 2006	Bill
Budget Authority	142,843	141,653	142,514	142,514
Outlays	141,596	143,284	143,802	143,848

^a Excludes supplemental appropriations.

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This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of all the committee's members.

COMPLIANCE WITH THE BUDGET RESOLUTION

As noted, the conference report complies with provisions of the Congressional Budget Act because it is consistent with the spending limits established in the budget resolution, and with the resolution's provisions governing emergency spending and advance appropriations. In addition, the agreement's total spending equals the amounts allocated for the measure, under section 302(b) of the Budget Act, by the Appropriations Committee.

Under the fiscal year 2006 budget resolution, advance appropriations are limited to a total of \$23.2 billion for fiscal year 2007. Further, only certain accounts, listed in the resolution's statement of managers, are eligible for such

advances. The programs provided with advance appropriations in this bill were all listed as eligible, and total \$18.9 billion in budget authority.

When added to the \$4.3 billion in advance appropriations enacted as part of the conference report accompanying the appropriations bill for the Departments of Transportation, Treasury, Housing and Urban Development, the Judiciary, District of Columbia, and Independent Agencies (H.R.3058; H.Rept. 109-307) (see *Appropriations Update* Volume 5, Number 22), the total advance appropriations for the fiscal year equals the limit established by the budget resolution.

Table 2: Discretionary Spending in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Conference Report
(in millions of dollars)

	2005 Budget Authority ^a	2005 Outlays ^a	2006 Budget Authority	2006 Outlays	Difference BA	Difference Outlays
Health Resources and Services Administration	6,739	6,583	6,610	6,565	-129	-18
Centers for Disease Control and Prevention	4,497	4,341	5,875	4,853	1,378	512
National Institutes of Health	28,275	27,863	28,516	28,033	241	170
Substance Abuse and Mental Health Services Administration	3,268	3,235	3,238	3,240	-30	5
Centers for Medicare and Medicaid Services	4,000	3,989	4,902	4,690	902	701
Administration for Children and Families	13,548	13,650	13,842	13,829	294	179
Other Health and Human Services	4,140	3,956	1,943	3,896	-2,197	-60
Employment and Training Administration	9,839	9,816	9,153	9,597	-686	-219
Other Department of Labor	2,195	2,229	2,200	2,242	5	13
Social Security Administration	7,448	7,318	7,468	7,445	20	127
Office of Elementary and Secondary Education	21,708	22,396	21,177	22,005	-531	-391
Office of Special Education and Rehabilitative Services	12,289	11,728	12,351	12,235	62	507
Federal Student Aid	14,385	15,120	15,198	14,977	813	-143
Other Department of Education	8,195	7,199	7,782	7,985	-413	786
<u>Other</u>	<u>2,317</u>	<u>2,173</u>	<u>2,259</u>	<u>2,256</u>	<u>-58</u>	<u>83</u>
Total	142,843	141,596	142,514	143,848	-329	2,252

^a Excludes supplemental appropriations.

DISCUSSION

Within the \$142.5 billion in new discretionary BA provided in the conference report, an increase of \$1.4 billion (relative to 2005) is provided to the Centers for Disease Control and Prevention [CDC], and is more an offset by a \$2.2 billion

reduction to other accounts in Health and Human Services [HHS]. The administration requested resources for terrorism preparedness in these other HHS accounts, which the conference report distributes through the CDC.

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The conference report increases mandatory outlays from the 2005 level by \$44 million for the Temporary Assistance for Needy Families program. No mandatory savings are achieved through changes in legislative language.

Funding for major agencies is as follows:

- *Education, \$56.5 billion.* The agreement provides the Department of Education with a \$289-million increase above the President's request. This level of funding is \$69 million below 2005 BA. In addition, the conference report includes \$4.3 billion to eliminate the Pell Grant backlog. This amount does not count against the bill's allocation because it is counted as mandatory spending, pursuant to the budget resolution. Maximum Pell Grant awards are increased by \$50, to \$4,100, and Federal student aid is increased by \$813 million as a whole.

- *Health and Human Services, \$64.9 billion.* The conference report provides an increase of \$459 million in BA over 2005 for the Department. This includes a \$241-million boost from 2005 for the National Institutes of Health [NIH].

The NIH increase brings total funding for the agency to \$28.5 billion, approximately the President's request. Included in NIH-funded research is work addressing both naturally occurring threats, such as a flu pandemic, and those arising from engineered or modified organisms that might be used by terrorists.

- *Labor, \$11.4 billion.* The conference report reduces Labor Department funding by 6 percent (\$681 million) compared with 2005. This is largely in line with the President's request.

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